CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

2008–2009

DEPARTMENTAL PERFORMANCE REPORT

The original version was signed by

The Honourable Beverley J. Oda, P.C., M.P.
Minister of International Cooperation

CONTENTS

Acronyms and initialisms i

Minister's message 1

Section I: Departmental overview 2

Introduction 2

Strategic outcomes and program activity architecture 3
Financial resources (2008–2009) 3
Human resources – Full-time equivalents (FTEs) (2008–2009) 3

Performance summary by strategic outcome 4
Increased achievement of development goals consistent with Canadian foreign policy objectives 4
Progress toward reducing poverty 5
Progress toward democratic governance 7
Sustained support and informed action by Canadians in international development 8
Level of support, awareness, and engagement 8

Contribution of priorities to strategic outcomes 9
1) Effectiveness of Canada's aid program 9
a) Strengthening geographic focus 10
b) Enhancing field presence 10
c) Further untying aid 10
d) Improving administrative efficiency 11
e) Reinforcing the independence of CIDA's evaluation function 11
f) Leading the international dialogue on civil society and aid effectiveness 11
g) Realigning the Agency's structure and governance 11
2) Development and reconstruction of Afghanistan 12
3) Implementing the Americas strategy 12
4) Meeting the Africa commitment 13
5) Canada's focus on democracy support 13
6) Enhancing technical and vocational education and training 13
7) Renewing private sector development 13

Risk analysis and management 15

Expenditure profile 15

Voted and statutory Items 16

Section II: Analysis of program activities by strategic outcomes 17

Strategic outcome 1: Increased achievement of development goals consistent with Canadian foreign policy objectives 17
Countries of concentration 17
Result: Enhanced capacity of countries of concentration to achieve development goals 18
Fragile states and countries experiencing humanitarian crisis 21
Result 1: Reduced vulnerability of crisis-affected people 21
Result 2: Restored capacity of public institutions and civil society 22
Selected countries and regions 26

Result 1: Stability and development goals 27
Result 2: Canada's international interests 28
Multilateral, international, and Canadian institutions 31
Result: Enhanced capacity and effectiveness of multilateral institutions and Canadian and international organizations in achieving development goals 31

Strategic outcome 2: Sustained support and informed action by Canadians in international development 33
Engaging Canadian citizens 33
Result: Increased awareness, deepened understanding, and greater engagement of Canadians with respect to international development 33

Section III: Supplementary information **37**

Financial highlights 37

Financial statements 38

Financial highlights charts 38

Section IV: Other items of interest **40**

CIDA's Program Activity Architecture 40

List of supplementary information tables 41

Contact information 41

ACRONYMS AND INITIALISMS

CIDA	Canadian International Development Agency
CIDA-INC	CIDA Industrial Cooperation Program
CIFA	Canada Investment Fund for Africa
CPIA	Country Policy and Institutional Assessment
DPR	Departmental Performance Review
FTE	full-time equivalent
HOPE	Harmonizing Operations for Partnership Effectiveness
IFIs	international financial institutions
IRAI	IDA (International Development Association) Resource Allocation Index
MDGs	Millennium Development Goals
MMI	Mass Media Initiative
MOPAN	Multilateral Organisation Performance Assessment Network
NGO	non-governmental organization
PRSP	poverty reduction strategy paper
UNHCR	Office of the United Nations High Commissioner for Refugees
VCA	volunteer cooperation agencies
WFP	World Food Programme

MINISTER'S MESSAGE

In the 2007 and 2008 budgets, the Government pledged to make Canada's growing international assistance program more efficient, more focused and more accountable. Over the past year, we also fulfilled our commitment towards greater effectiveness.

I am pleased to report that in 2008–2009, Canada met its commitment to double its aid to Africa, untied its food aid, increased our geographic and thematic focus, and called for greater cooperation among donors and partners. For the first time, CIDA published its *Development for Results Report*, increasing our accountability to all Canadians.

During the past year, we experienced a worldwide food crisis and a growing economic crisis: this was a period in which it was important to demonstrate that Canada's international assistance is effective in achieving our objectives of making a real difference in the lives of those living in poverty.

The results and progress that have been achieved are due to the dedication of CIDA staff, in Canada and in the field, along with the support of our many partners here and abroad. This report is a concise performance story that shows clear results in all areas where we have made concrete commitments. The impact of Canada's contribution to the global effort to reduce poverty can be seen in the smiling faces I have encountered and the conversations I have had during my visits to many of the developing countries in which CIDA is working. I am proud that Canada has also responded to disasters such as Cyclone Nargis in Burma and the earthquake in China, which together claimed the lives of more than 200,000 people.

This report shows how Canada has taken bold action, making our country, in the words of the Executive Director of the World Food Programme, "a true hero."

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SECTION I: DEPARTMENTAL OVERVIEW

Introduction

The mission of the Canadian International Development Agency[1] (CIDA) is to lead Canada's international effort to help people living in poverty.

The direct benefits of CIDA's work to Canadians are not always well understood. They cannot be compared with the benefits they receive from many other federal departments, as they are indirect—yet crucial—to our Canadian way of living. Canadians know that our future is intertwined with those in developing countries. Canadians care about global poverty, and they want their government, mostly through CIDA, to be a player in the global fight to reduce poverty.

Achieving real economic, social, environmental, and democratic progress in Africa, Asia, and the Americas has an impact on Canada, and therefore on all Canadians, in terms of long-term security and prosperity. Our contribution to fostering democracy, preventing food or health crises, generating economic growth, giving youth and children a better future, stabilizing fragile countries, or responding to natural disasters makes for a better world for all, including Canadians. Canadian values are well served and supported by CIDA's successes in the world.

Canada's aid program builds long-term relationships in selected countries around the world, and it helps make the world more secure for Canadians. It provides a concrete expression of values that Canadians cherish: compassion for the less fortunate, democracy, freedom, human rights, and the rule of law.

Responsibilities

CIDA is the government's principal organization responsible for managing the bulk of Canada's development assistance program. CIDA aims to manage its resources effectively and accountably to achieve meaningful, sustainable results. It engages in policy development in Canada and internationally. Its principal goal is to reduce poverty, promote human rights, and support sustainable development in a manner consistent with Canadian foreign policy. The vast majority of CIDA's programming[2] satisfies the eligibility requirements of the *Official Development Assistance Accountability Act*,[3] and is therefore reported to Parliament as official development assistance.[4]

Orders-in-Council P.C. 1968–923 of May 8, 1968, and P.C. 1968–1760 of September 12, 1968, designate CIDA as a department for the purposes of the *Financial Administration Act*. The authority for the CIDA program and related purposes is found in the *Department of Foreign Affairs and International Trade Act* and in annual appropriations.

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[1] http://www.acdi-cida.gc.ca

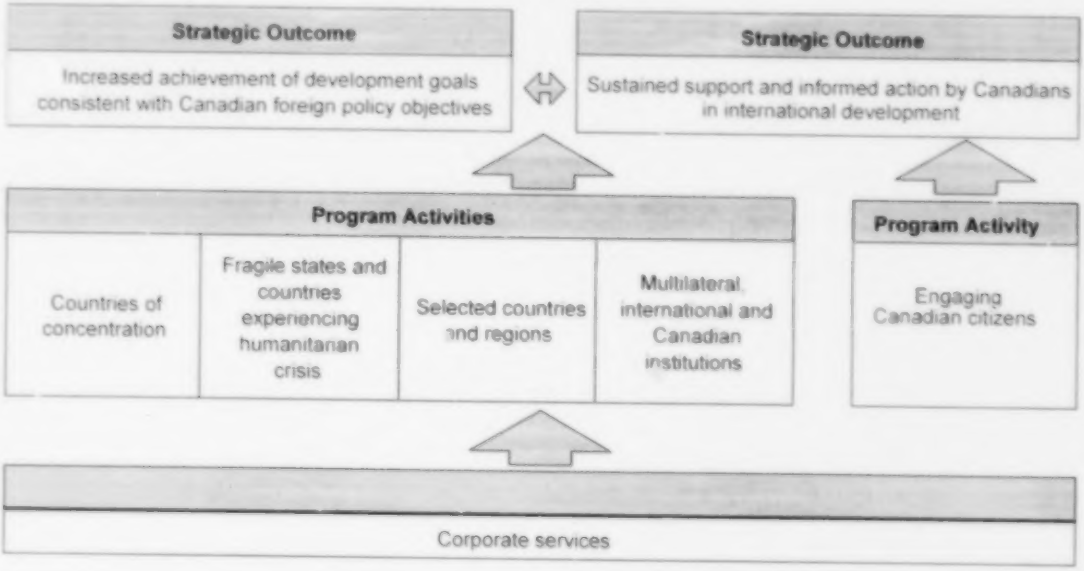
[2] Some activities—for example, CIDA's Russia program—cannot be reported as official development assistance as per the *Official Development Assistance Accountability Act*.

[3] http://laws.justice.gc.ca/en/ShowTdm/cs/O-2.8///20081211/en

[4] A summary of the Government of Canada's official development assistance activities was tabled in Parliament in September 2009 and is available on CIDA's website at http://www.acdi-cida.gc.ca/reports.

Strategic outcomes and program activity architecture

CIDA's Report on Plans and Priorities for 2008–2009 set out two long-term results, or strategic outcomes, to which the Agency contributes by managing the aid program according to five main program activities. The two outcomes are mutually reinforcing, reflecting the interdependency of achievement of development goals and Canadian citizens support. Each program activity is defined in Section II of this report.


Strategic Outcome
Increased achievement of development goals consistent with Canadian foreign policy objectives
Strategic Outcome
Sustained support and informed action by Canadians in international development
Program Activities
Countries of concentration
Fragile states and countries experiencing humanitarian crisis
Selected countries and regions
Multilateral, international and Canadian institutions
Program Activity
Engaging Canadian citizens
Corporate services

Financial resources (2008–2009)

Planned spending	Total authorities	Actual spending
$3,222,771,000	$3,614,520,939	$3,591,465,088

Human resources – Full-time equivalents (FTEs) (2008–2009)

Planned	Actual	Difference
1,834	1,870	36

Performance summary by strategic outcome

Strategic outcome 1						
Increased achievement of development goals consistent with Canadian foreign policy objectives						
Performance indicators	Progress toward reducing poverty					
	Progress toward democratic governance (freedom and democracy, human rights, the rule of law, and accountable public institutions).					
Program activity	**2007–2008**	**2008–2009**				Alignment to Government of Canada outcomes
	Actual spending	Main estimates	Planned spending	Total authorities	Actual spending	
Countries of concentration	$758,885,648	$887,821,000	$967,821,000	$930,086,659	$928,159,001	Global poverty reduction through sustainable development [5]
Fragile states and countries experiencing humanitarian crisis	$716,436,642	$611,209,000	$611,209,000	$866,628,289	$864,654,868	
Selected countries and regions	$490,116,537	$566,902,000	$580,822,000	$459,075,690	$453,929,576	
Multilateral, international and Canadian institutions	$1,235,072,645	$932,286,000	$991,286,000	$1,331,314,995	$1,317,665,265	
Total	**$3,200,511,472**	**$2,998,218,000**	**$3,151,138,000**	**$3,587,105,633**	**$3,564,408,710**	

Actual spending (2008–2009) excludes $227.03 million (2007–2008: $215.03 million) in issuance of notes issued to the International Financial Fund accounts. Actual spending also includes expenditures of $163 million (2007–2008: $89 million) recorded as a loss for revaluation on advances and investments due to the value fluctuation of the Canadian dollar.

The variance between 2008–2009 total authorities and actual spending is $23.1 million (2007–2008: $72.2 million). This amount includes $16.3 million (2007–2008: $43 million) in the aid budget, with $15.1 million of this in Treasury Board frozen allotments, and $6.8 million (2007–2008: $20.3 million) in the operating budget.

[5] http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/mrrsp-psgrr/wgf-cp-eng.asp

Explanation of variance

The total increase from 2007–2008 to 2008–2009 in actual spending is mainly attributable to increased spending in food aid and humanitarian assistance, and in Africa, Haiti and Afghanistan. Among other things, CIDA responded to requests for assistance following numerous natural disasters in 2008–2009 such as Cyclone Nargis in Burma, the Sichuan earthquake in China, and the Atlantic hurricane season, which affected more than 800,000 Haitians. It also provided funding for humanitarian assistance for Palestinian refugees in the West Bank and Gaza. The funding increase for CIDA's 2008–2009 programs was made possible by the increase in the overall International Assistance Envelope in the 2008–2009 Supplementary Estimates.

The variance between 2008–2009 planned and actual spending mainly reflects increased funding received through Supplementary Estimates for programs and initiatives such as funding for humanitarian assistance and increased support in micronutrient programming, with a particular focus on vulnerable regions such as the Horn of Africa and the Democratic Republic of Congo, and funding for humanitarian responses to the Burma and China disasters.

Progress toward reducing poverty

Reducing poverty is at the core of CIDA's mission. Its programs contribute directly to addressing the root causes of poverty in the countries where CIDA is active. Section II of this report highlights some of the concrete results achieved.

Reducing poverty means addressing the various challenges involved in poverty reduction such as lack of education, high illiteracy rates, poor health, access to food and water, economic opportunities, as well as concerns of safety and security. The impact of CIDA's activities in 2008–2009 was witnessed all around the world.

For example:

- In **Africa**, more children—boys and girls—attended school than ever before. The mortality rate for children under the age of five in Tanzania was reduced by one-third since 1999. Access to clean water was increased in Ghana. And thousands of small food producers in Senegal saw their revenues increased.
- In the **Americas**, more than 70,000 children became healthier and better nourished in Honduras. In Haiti, a once-marginalized violent neighbourhood began the transformation to becoming a safer, youth-friendly community. Key institutions such as the Caribbean Regional Technical Assistance Centre were better equipped to strengthen the region's economy. In Peru, the success of a literacy model for rural primary students influenced the national education policy.
- In **Asia**, small entrepreneurs and microbusinesses in Vietnam were trained to expand their activities. Survivors of the earthquake in China and of Cyclone Nargis in Burma received emergency assistance and support for reconstruction. And in Afghanistan, hundreds of square kilometres of land were cleared of landmines, and critical work began to restore an important irrigation dam.
- In the **Middle East**, thousands of Palestinians benefited from access to food, water, shelter, medical materials, and sanitation services during the conflict that affected the region.

At the same time, the economic and food crises have affected progress toward reducing poverty in the world. According to the 2009 World Bank's Global Monitoring Report,[6] food price increases between 2005 and 2008 pushed some 200 million people back into extreme poverty, and about half of them will remain trapped in poverty in 2009 even as food prices recede from their peaks. While food prices have fallen since mid-2008, they remain high by historical standards, and the food crisis is by no means over.

The World Bank considers that this global crisis is imperilling attainment of the 2015 Millennium Development Goals[7] (MDGs), a set of benchmarks agreed upon by the global community in 2000. The same report presents data on poverty, showing that the number of people living in extreme poverty in developing countries fell significantly from 1.8 billion in 1990 to 1.4 billion in 2005, before rebounding as noted above, but decreasing, in relative terms, from 42 percent of the population to 25 percent. Much of this progress happened in East Asia, where the incidence of poverty decreased from 55 percent in 1990 to 17 percent in 2005.

Still, the United Nations *Millennium Development Goals Report 2008* states that although extreme poverty has been significantly reduced since 1990, one billion people are still expected to be living on less than a $1 a day in 2015. Furthermore, inequality between women and men makes poverty even worse for women and girls. Hunger, weak agricultural output, expanding populations, low private sector development and a lack of access to credit are some of the many obstacles facing the world's poor.

Progress on achieving the MDGs has been uneven

In the developing world, enrolment in primary education reached 88 per cent in 2007, up from 83 percent in 2000. Deaths of children under five declined steadily worldwide: to around 9 million in 2007, down from 12.6 million in 1990.

Although many developing countries are on track to achieving some of the MDGs, large disparities persist among and within countries. Sub-Saharan Africa remains the geographic region with the furthest to go to meet the MDGs. Countries emerging from conflict or facing political instability are particularly threatened. And in middle-income countries, even where progress toward achieving the MDGs is most rapid, large pockets of inequality mean that millions of people continue to live in extreme poverty.

Reducing maternal mortality is the MDG on which the least overall progress has been made.

More information on CIDA and the MDGs is available at http://www.acdi-cida.gc.ca/MDGs

In 2008–2009, CIDA contributed to initiatives and sectors (in particular food security, child health, and education) that are directly related to the MDGs and has increased its contributions to their achievement.

Canada has been a key player in various international forums in emphasizing the importance of international assistance in overcoming the current crises affecting most developing countries.

Canada not only maintained, but increased, its aid during this period. Canada is on track to meet its commitment to double international assistance to $5 billion by 2010–2011, and in

[6] http://go.worldbank.org/AR2V59HT70
[7] http://www.un.org/millenniumgoals/

2008–2009 met its commitment to double assistance to Africa. Canada *has endorsed the G20 plan and the Doha conference on financing development.*

Progress toward democratic governance

A vital component of Canada's international assistance involves supporting the development of strong institutions that respect and advance the rule of law and are accountable, responsive, inclusive, and transparent. CIDA worked to build effective governments that promote democratic participation and human rights, and ensure equality and non-discrimination both at the country and regional levels.

For example:

- CIDA's support to multilateral election observation missions in countries such as Bangladesh, Ghana, El Salvador, and Bolivia helped to promote transparency and accountability, thereby increasing public confidence in the electoral process and the election results.
- As a result of hundreds of thousands of Haitian and Afghan voters being registered for upcoming elections, in-country electoral institutions have demonstrated a strengthened capacity to effectively manage electoral processes.
- The Ukrainian justice and electoral systems have been strengthened with direct benefits to the population, in particular, equal rights and opportunities for men and women.
- Hundreds of human rights complaints have been successfully resolved in Bolivia.
- Human rights violations were documented and legal aid was provided to detained human rights defenders in Zimbabwe.
- With the support of the Office of the Auditor General of Canada and the Canada School of Public Service, the Office of the Auditor General of Mali was put in place to establish modern audit standards, procedures, and techniques in that country—the first of its kind in West Africa.
- Statistical capacity building has improved the ability of governments in China, Niger, and Bolivia to make more informed public policy decisions.
- Strengthened audit techniques and standards in Benin, Costa Rica, Ghana, Guyana, Kenya, Mali, Tanzania, Thailand, and Vietnam resulted in increased accountability and improved local audit capacity.
- By training representatives on local governance best practices in more than sixty cities around the world, enhanced municipal authority was achieved.

Strategic outcome 2						
Sustained support and informed action by Canadians in international development						
Performance indicators	Level of public support					
	Level of awareness, support, and engagement related to Canada's development program					
Program activity	2007–2008	2008–2009				Alignment to Government of Canada outcomes
	Actual spending	Main estimates	Planned spending	Total authorities	Actual spending	
Engaging Canadian citizens	$53,909,438	$71,633,000	$71,633,000	$27,415,305	$27,056,378	Global poverty reduction through sustainable development
Total	**$53,909,438**	**$71,633,000**	**$71,633,000**	**$27,415,305**	**$27,056,378**	

Explanation of variance
The decrease in actual spending between 2007–2008 and 2008–2009, and the decrease between planned and actual spending in 2008–2009 are mostly due to internal reallocations to meet new Agency and government priorities and the mainstreaming of institutional capacity building into specific programs and projects.

Level of support, awareness, and engagement

CIDA's promotion of public engagement in international development begins with providing information to help build awareness, deepening understanding through education and achieving engagement through opportunities to participate.

In 2008–2009 an estimated one million Canadian children and educators were engaged in an active exploration of international development issues to help them get to know their global neighbours, appreciate different world views, and understand the global impact of their choices and actions.

Also in 2008–2009, with CIDA support, about 2,500 Canadian volunteers were directly engaged in international development activities around the world. As well, some 400 young Canadians shared their skills with 55 organizations in 60 developing countries and got first-hand experience about the challenges faced by poor people every day.

CIDA's Public Engagement Fund[8] reached more than 55,000 people in 2008–2009 through lectures, films, workshops, speaking tours, participatory theatre, training of youth leaders, art and multimedia contests, and leadership development.

[8] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/DOM-129153243-54H

Based on an average of figures from the past two years, it is estimated that activities funded by CIDA's Mass Media Initiative reached Canadians 27.5 million times in 2008–2009.

In 2008, as part of our continued whole-of-government effort to strengthen our accountability through integrated planning, monitoring, and performance reporting, CIDA maintained responsibility for reporting against the majority of progress benchmarks and indicators that underlie the government's quarterly reports to Parliament on Afghanistan.[9] CIDA also produced the first Development for Results report,[10] available on CIDA's website.

Section II of this report contains more details about the activities carried out to engage Canadians.

Contribution of priorities to strategic outcomes

Program and management priority	Type[11]	Status	Linkages to strategic outcome
1) Effectiveness of Canada's aid program	Ongoing	Significant progress made	Increased achievement of development goals consistent with Canadian foreign policy objectives
2) Development and reconstruction of Afghanistan	Ongoing	Significant progress made	
3) Implementing the Americas strategy	Ongoing	Significant progress made	
4) Meeting the Africa commitment	Previously committed to	Met	
5) Canada's focus on democracy support	Ongoing	Significant progress made	
6) Enhancing technical and vocational education and training	New	Significant progress made	
7) Renewing private sector development	New	Significant progress made	

1) Effectiveness of Canada's aid program

With a multitude of development players assisting a hundred developing countries through thousands of different aid programs, aid effectiveness is a real challenge. In the 1940s there were just 4 bilateral donors; in 2006 the OECD estimated that there were about 225 bilateral donor agencies and 242 multilateral agencies, including 24 development banks and 40 UN

[9] http://www.afghanistan.gc.ca

[10] http://www.acdi-cida.gc.ca/acdi-cida.ACDI-CIDA.nsf/eng/FRA-112411245?.MSN

[11] 'Type' is defined as follows: **Previously committed to**—committed to in the first or second fiscal year prior to the subject year of the report; **Ongoing**—committed to at least three fiscal years prior to the subject year of the report; and **New**—newly committed to in the reporting year of the Report on Plans and Priorities or Departmental Performance Report.

agencies, working in development cooperation.[12] This requires greater cooperation among bilateral donors and coherence of activities by agencies.

To increase effectiveness and efficiency, Canada is instituting efforts to maximize resources and reduce redundancy, such as the following:

a) Strengthening geographic focus

In February 2009 the Minister of International Cooperation announced[13] a list of 20 countries of focus.[14] Canada's bilateral country program assistance represents approximately 47 percent of its total aid budget. By 2010–2011, 80 percent of Canada's bilateral country program assistance budget will be concentrated on the 20 countries. Given the progress the Agency is already making, it will achieve this target well before the set timeline. The process of focusing our bilateral program was based on country needs, the country's potential and capacity to achieve results effectively, and Canada's foreign policy.

b) Enhancing field presence

Canada has increased the number of staff present in the field by 28 percent (from 133 in 2007–2008 to 170 in 2008–2009). This enabled CIDA to better assess the needs of developing countries and to develop even more effective responses. More decision making has been delegated to field staff, allowing for quicker responses and more informed decisions:

- In Afghanistan, expansion of staffing resources in the field brought our presence to 23 CIDA staff, compared to 7 at the beginning of 2007–2008.
- In Africa, an additional 11 positions brought our presence to 59; in the Americas, an additional 5 positions brought CIDA staff to 31.
- A plan on decentralization is under development, and will pave the way for significant increases as of 2009.

c) Further untying aid

There is a collective recognition by donors that tied aid can be costly and inefficient since it undermines the ability of developing countries to produce goods and contribute to their own economic development potential.

Canada's food aid was fully untied[15] in 2008. Similarly, Canada is in the process of fully untying its development aid,[16] to be completed by 2012–2013. In 2008, Canada's untied aid ratio reached 91 percent, up from 63 percent in 2005.

Untying aid means that Canada's aid dollars will have a greater impact, and demonstrates that Canada's international aid is first and foremost about helping developing countries to help themselves through a more effective, focused, and accountable approach to aid.

As recently as 2008, half of the food aid Canada donated to developing countries had to be purchased in Canada ("tied aid"), and more than one third of Canada's non-food aid was "tied" to the purchase of goods and services from suppliers in Canada.

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[12] http://oberon.sourceoecd.org/pdf/dac09/432009011e-01.pdf
[13] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-223132931-PPH
[14] http://www.acdi-cida.gc.ca/focus
[15] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-430104936-KE3
[16] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-9563229-GQC

Canada provides cash contributions to organizations such as the World Food Programme (WFP), which then buys the appropriate food at the best prices in areas closest to the hungry, reducing transportation costs.

When food is bought locally, this leads to the development of local markets, boosts local economies, and eventually leads to sustainable development and economic independence

d) Improving administrative efficiency

The new organizational structure, changes in senior management, a recast of countries of focus, and new legislative requirements are all elements serving to strengthen the very foundations on which CIDA delivers its mandate.

Senior management have delineated the key strategic priorities guiding all efforts in the coming year, identifying key impactful actions to improve people management and dedicating resources and time to important initiatives.

e) Reinforcing the independence of CIDA's evaluation function

CIDA's Evaluation Division has established a new Evaluation Committee composed of 11 members—5 from CIDA and 6 from outside the Agency—thus giving the committee greater independence. The external members come from three key departments—Foreign Affairs, Finance, and Treasury Board Secretariat—and from Canadian civil society, academia, and the private sector. This new committee serves as an advisory body to CIDA's President, and meets quarterly to review a multiyear work plan, evaluation reports, and other evaluation progress reports.

By implementing this approach, CIDA is at the leading edge of the Government of Canada in terms of independent evaluation processes.

f) Leading the international dialogue on civil society and aid effectiveness

Canada's leadership was recognized internationally and domestically for its contribution to the recognition of civil society organizations as development partners at the Accra High-Level Forum on Aid Effectiveness.[17] The Advisory Group on Civil Society and Aid Effectiveness, which Canada chaired, was successful in clarifying the issues and hammering out an international consensus on a number of findings and recommendations incorporated in its Synthesis of Findings and Recommendations.[18]

The Accra Agenda for Action [19] committed donors and developing-country governments to deepen their engagement with civil society organizations as development actors in their own right, and to provide an enabling environment that maximizes civil society's contribution to development.

g) Realigning the Agency's structure and governance

In December 2008, following a review of the restructuring activities undertaken since 2007–2008, a revised structure leading to increased CIDA's efficiency was announced, to take effect

[17] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-96153928-R38
[18] http://siteresources.worldbank.org/ACCRAEXT/Resources/AG-CS-SYNTHESIS-OF-FINDINGS-AND-RECOMMENDATIONS-ENGLISH.PDF
[19] http://www.oecd.org/dataoecd/58/16/41202012.pdf

in April 2009. CIDA's new structure[20] clarifies accountabilities, ensures a strong policy function to guide programming, and provides a structure for more-focused and -coherent programming. These changes included implementing the Chief Financial Officer (CFO) model, strengthening the linkages between policy development and performance management within the Strategic Policy and Performance Branch, and focusing programming in four program Branches: Geographic Programs Branch, Afghanistan and Pakistan Task Force, Canadian Partnership Branch, and Multilateral and Global Programs Branch.

2) Development and reconstruction of Afghanistan

In 2008–2009, Afghanistan was Canada's largest bilateral aid recipient. CIDA delivered approximately $224 million in reconstruction and development assistance, contributing to: 1) strengthening Afghan institutional capacity to promote economic growth and deliver basic services, 2) providing humanitarian assistance to increase Afghan capacity to deal with crises, and 3) advancing Afghan capacity for democratic governance by contributing to effective and accountable public institutions and electoral processes.

Canada's increased engagement in Afghanistan has been accompanied by a substantial expansion of programming and staffing resources, especially in the field. CIDA undertook considerable efforts this year to improve program policy, planning, delivery, and monitoring capacity in Afghanistan. CIDA maintains responsibility for the majority of progress benchmarks and indicators that underlie the government's quarterly reports to Parliament.

Coherence and coordination among departments has also improved through the continuing work of a full-time task force reporting directly to the Prime Minister and through the Minister of International Cooperation's participation on the Cabinet Committee on Afghanistan.

Canada is among the top five donors supporting the implementation of the Afghanistan National Development Strategy (2008–2013). The situation in Afghanistan remains highly unstable, especially in the south, but progress is being made in several areas, as can be seen on the http://www.afghanistan.gc.ca website launched in 2008.

3) Implementing the Americas strategy

Progress was made in implementing the Americas strategy, with an emphasis on the Caribbean[21] and on Haiti,[22] currently the second-largest recipient of Canada's assistance and where CIDA has played a leadership role in donor coordination. Various CIDA-supported projects in the other countries of the Americas[23] also contributed to the implementation of the strategy.

Section II of this report provides other results in various countries of the Americas. The Government of Canada website dedicated to the Americas strategy[24] contains additional information on progress so far.

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[20] http://www.acdi-cida.gc.ca/INET/IMAGES.NSF/vLUImages/CIDA-org-chart-2009/$file/ACDI-STRUCTURE_EN.pdf
[21] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-327123545-NMX
[22] http://www.acdi-cida.gc.ca/haiti-e
[23] http://www.acdi-cida.gc.ca/americas
[24] http://geo.international.gc.ca/cip-pic/geo-americas-report_amerique-rapport-en.aspx

4) Meeting the Africa commitment

In the 2005 federal budget, in response to African leaders' renewed commitment to fight poverty and improve governance, Canada promised to double assistance to the continent.

In 2007, the government reconfirmed this commitment at the G8 Summit in Heiligendamm, Germany, and then again in its 2008 budget. As of March 2009, this commitment had been met, and between 2003–2004 and 2008–2009, Canada's assistance to Africa doubled, increasing from $1.05 billion to $2.1 billion.

Not only has Canada doubled assistance to Africa, it has also worked hard to ensure its aid yielded strong results. Section II of this report provides details of these results for a number of African countries. CIDA's website offers a collection of results of Canadian assistance in Africa[25]

5) Canada's focus on democracy support

Several initiatives are currently being assessed in light of the government's November 2008 commitment to establish a new Democracy Support Agency.

CIDA supports the development of strong institutions that respect the rule of law and are accountable, responsive, inclusive, and transparent. CIDA worked to build effective governments that promote democratic participation and ensure equality and non-discrimination both at the country and the regional levels.

Support for civil society organizations is an integral component of CIDA's activities in the area of democracy promotion. Civil society organizations play a pivotal role in holding governments accountable, ensuring that policies benefit all equally, providing services where the government's reach is inadequate, and establishing a democratic culture.

6) Enhancing technical and vocational education and training

CIDA developed and launched the Skills for Employment Initiative[26] in March 2009.

This $95-million initiative will help developing countries build a skilled workforce necessary for economic growth. The initiative will strengthen local training institutions in partnership with Canadian community colleges and will enable students to acquire the quality vocational and technical skills needed for productive employment.

7) Renewing private sector development

CIDA's Industrial Cooperation Program (known as CIDA-INC)[27] has been redesigned in light of its 2007 evaluation and of the government's announced intention[28] to transfer the program to the Department of Foreign Affairs and International Trade, the government's centre of expertise on international business. The redesign reviewed eligibility and assessment criteria and program administration with a view to increasing tangible private sector development results and ancillary benefits to host countries and communities. It will also help to improve the effectiveness of private sector partnerships and results measurement. Design elements were

[25] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-212111726-M4Y
[26] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-38916851-JSU
[27] http://www.acdi-cida.gc.ca/inc
[28] subject to Parliamentary approval of the vote transfer

reviewed and validated through extensive consultations with Canadian firms, business associations, and specialized NGOs.

CIDA has begun working with other departments to implement the government's Corporate Social Responsibility Strategy for the Canadian International Extractive Sector,[29] announced in March 2009. One example of CIDA's support for corporate social responsibility is its core funding to the Inter-American Development Bank's Multilateral Investment Fund.[30] One of the themes for the fund's work in private sector development is to encourage and assist small and medium-sized enterprises in Latin America and the Caribbean to implement corporate social responsibility measures as a means to improve their competitiveness. CIDA will continue its work to establish an internal focal point with expertise in extractive-sector development issues. The Agency will work in collaboration with like-minded donors and other government departments to advance more responsible and sustainable approaches to extractive-sector development.

Canada Investment Fund for Africa: Generating economic growth

The Government of Canada established the Canada Investment Fund for Africa (CIFA)[31] in 2005, within the framework of the Canada Fund for Africa, with an investment of $100 million. CIFA is a joint public-private sector initiative created to provide risk capital for private sector investments into African companies, generate development impacts and economic growth, and promote Canadian commercial interests in Africa. CIFA became fully capitalized in 2006, leveraging an additional $160 million from public and private investors (or $1.60 for every $1 invested by the Government of Canada) for a total value of $260 million. This far surpassed the initial target of raising 1:1 matching funds from third-party investors.

The fund managers have invested almost all of CIFA's capital in 15 companies in the oil and gas, mining, consumer goods, financial services, agribusiness, manufacturing, and logistics sectors, and in 20 more investments through two specialized regional equity funds targeting small and medium-sized enterprises. Investments have been made in countries like Burkina Faso, Democratic Republic of the Congo, Ghana, Nigeria, Rwanda, Senegal, South Africa, and Zambia. Although CIFA is an untied initiative, it has been an important catalyst for engaging the Canadian private sector in Africa. As of March 31, 2009, the value of Canadian content in CIFA investments was almost $70 million, or 31 percent of the value of the fund's portfolio.

Now in its fourth year, CIFA is operating in a commercially viable manner and is subject to stringent, internationally recognized corporate social responsibility measures and environmental standards. CIFA investments are already delivering some development results. Through the leadership of its fund managers, and sometimes in partnership with other donors or non-governmental organizations, portfolio companies are actively engaged in their local communities to deliver corporate social responsibility programs. For example, they are actively engaged in their local communities providing educational and medical supplies, implementing reforestation programs, and delivering educational grants. They have supported the development of local infrastructure, such as roads and bridges, electricity supply, water supply, as well as the provision of financial services to under-represented regions. And they have invested in training and education in areas such as the prevention of HIV/AIDS and in the development of technical and vocational skills.

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[29] http://www.international.gc.ca/trade-agreements-accords-commerciaux/ds/csr-strategy-rse-stategie.aspx
[30] http://www.iadb.org/mif/home/
[31] http://www.cifafund.ca/en/index.html

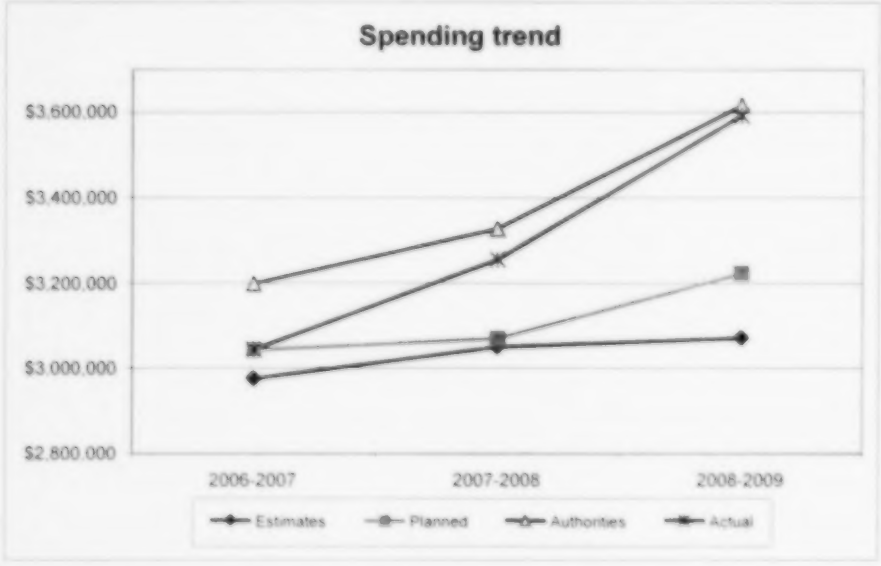
Risk analysis and management

CIDA's senior management has demonstrated a deep engagement in risk management as CIDA works in a high-risk development environment and in increasingly difficult contexts. A process is in place to review the risk environment on a regular schedule, and mitigation strategies have been developed for the key risks.

The second phase of a fiduciary risk policy has been put in place, as have the related tools. CIDA has developed a suite of 15 risk management tools for the corporate, program, and investment levels. It has conducted sensitization and training sessions with more than half of its staff in headquarters and in the field. A recent internal study about performance management found that the greatest interest in training was in risk management. This helps program managers make informed decisions and take more responsible, appropriate risks to achieve the best development results. This also contributes to greater accountability.

CIDA's Afghanistan Program established a Chief Risk Officer position, and enhanced its integrated risk-management practices this year through risk assessment and mitigation that reinforce its results-based management approach. All key geographic programs are now required to conduct a program risk assessment.

Expenditure profile



See pages 4, 5 and 8 above for a detailed explanation of the variances between 2007–2008 and 2008–2009 illustrated in the graph above and table below.

Voted and statutory Items

($ thousands)

Voted or statutory item	Truncated vote or statutory wording	2006–2007 Actual spending	2007–2008 Actual spending	2008–2009 Main estimates	2008–2009 Actual spending
	Budgetary				
20 *	Operating expenditures	205,394	215,706	224,674	225,663
25 *	Grants and contributions	2,379,715	2,474,027	2,553,452	2,930,845
(S)	Contributions to employee benefit plans	21,892	23,626	25,784	25,054
(S)	Minister for International Cooperation – salary and motor car allowance	73	74	76	77
(S)	Payments to the International Financial Institution Fund accounts	243,284	301,846	257,861	238,554
(S)	Spending of proceeds from the disposal of surplus crown assets		3		1
(S)	Loss for revaluation at year-end	9,311	88,801		163,265
(S)	Transfer payments in connection with the *Budget Implementation Act*, 2007		110,000		
(S)	Collection agency fees	2			2
(S)	Payments for foreign aid	155,000			
	Total budgetary	3,014,671	3,214,083	3,061,847	3,583,461
	Non-budgetary				
L30	The issuance and payment of notes to the International Financial Institution Fund accounts				
(S)	Payments to international financial institutions – capital subscriptions			8,004	8,004
L40 *	Investment contributions pursuant to section 3 of the *Canada Fund for Africa Act*	25,267	40,337		
L45	Payment and issuance of notes to international financial institutions – capital subscriptions	3,324			
	Total non-budgetary	28,591	40,337	8,004	8,004
	Total Agency	3,043,262	3,254,420	3,069,851	3,591,465

* In 2006–2007, operating expenditures was Vote 30, grants and contributions was Vote 35 and investment contributions pursuant to section 3 of the *Canada Fund for Africa Act* was L50

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOMES

Strategic outcome 1: Increased achievement of development goals consistent with Canadian foreign policy objectives

Program activity		
Countries of concentration		
This program activity involves engaging in long-term development assistance programming in countries of concentration[32] to enhance their capacity to achieve development goals. Such programming involves direct contact between CIDA and recipient countries. It is developed through consultation and cooperation with partners internationally, in Canada, and in these countries. Initiatives include various country programs, projects, and development activities, as well as policy dialogue.		
2008–2009 financial resources		
Planned spending	Total authorities	Actual spending
$967,821,000	**$930,086,659**	**$928,159,001**
Expected results	Performance indicators	Performance status
Enhanced capacity of countries of concentration to achieve development goals	Progress toward the Millennium Development Goals	See Section I
	Level of democratic governance	Significant progress made
	Existence of an effective government poverty-reduction strategy reflected in budgeting decisions and long-term resource framework	Significant progress made
	Alignment of CIDA's country strategies and institutional support to the country's national development plan	Significant progress made

[32] "Countries of concentration" are based on a list of 25 countries identified as part of CIDA's Program Activity Architecture used since 2007–2008 (see Section IV). They are not the same as the recently announced "countries of focus", a list of 20 key partner countries on which the Agency will focus the majority of its bilateral resources.

Result: Enhanced capacity of countries of concentration to achieve development goals

Performance summary

CIDA's programming is focused on building the capacities of its countries of concentration to achieve their development goals. Considerable progress in strategic areas such as improving the level of democratic governance and reaching the Millennium Development Goals has already been noted in Section I, page 6.

According to the Economist Intelligence Unit's Democracy Index,[33] none of CIDA's 25 countries of concentration are considered full democracies, about half of them are considered to be hybrid regimes, and 20 percent are still authoritarian regimes. Nonetheless, of the 25 countries of concentration, 21 have some form of national poverty reduction strategy, and 23 have reported some level of commensurate alignment of decision making.

The Agency aligns its country program strategies to the national development plans or poverty reduction strategies of the recipient countries, where it makes best sense.

Performance analysis

Over the course of 2008–2009, CIDA achieved results through key investments in sectors, such as **education**, allowing youth and children to directly benefit from improved infrastructure and increased access to education, and ultimately aiming at reducing poverty and increasing self-sufficiency. For example, in **Pakistan**, school facilities were in disrepair and did not meet community expectations regarding safety and acceptability, which led parents to withhold children from school. With CIDA's assistance in 2008–2009, more than 280 community schools and 14 middle schools were set up where no government schools existed previously. Also, achievements in the education sector in **Mali** lead us to believe that they will soon reach the Millennium Development Goal on education with 100 percent of children attending school. In **Mozambique**, 1,382 new primary school classrooms were constructed and 9,721 new primary school teachers were hired.

Tangible and measurable progress in **health** and sanitation was noted in 2008–2009 in several countries of concentration, including **Ghana**, where cumulatively more than 1.6 million residents in the north have access to safe water, contributing to a significant decrease in the incidence of Guinea worm. By helping the government to build its capacity to deliver potable water and better sanitation programs, CIDA investments improve the health of children and youth and decrease child mortality rates. In **Ethiopia** there has been impressive progress in reducing child mortality. The country is considered to be on track to meet the Millennium Development Goal in this area. With CIDA assistance, antimalarial bed nets are now installed in 100 percent of households in malaria-affected parts of the country (compared to 91 percent in 2007–2008) and the malaria death rate is falling rapidly: it has decreased by more than 50 percent since 2005.

Canada has been playing a key role in supporting young and fragile **democracies** by strengthening the capacity of their political institutions and public administration systems in support of freedom and democracy, human rights, the rule of law, and accountable public institutions.

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[33] The Economist Intelligence Unit's index of democracy, on a scale of 0 to 10, is used to place countries within one of four regime types: scores of 8–10 are considered full democracies; 6–7.9 are flawed democracies; 4–5.9 are hybrid regimes; less than 4 are authoritarian regimes.
http://a330.g.akamai.net/7/330/25828/20081021185552/graphics.eiu.com/PDF/Democracy%20Index%202008.pdf

Based on current data taken from two commonly used and internationally recognized indicators, the Economist Intelligence Unit's Democracy Index (2006–2008) and the International Development Association's Resource Allocation Index (IRAI) (2005–2006–2007),[34] the levels of democracy and governance in the countries of concentration have stayed relatively stable. CIDA works with these young and fragile democracies because they are willing to implement policies and institutional frameworks fostering poverty reduction, sustainable growth, and the effective use of development assistance.

For example, in **Ukraine**, CIDA contributed to the introduction of a new skills-based education methodology to the Academy of Judges of Ukraine, and to publishing a Gender Reference Booklet, the first publication for court personnel that explains Ukraine's legislative provisions for equal rights and opportunities for men and women.

Also, 240,000 Canadian-made translucent ballot boxes were provided and used in the **Bangladesh** national election of 2008, contributing to the increased transparency and accountability of the electoral system. Both Bangladeshi and international observers found the 2008 election to be "free, fair, and relatively unmarked by violence."

Most of CIDA's countries of concentration have national poverty reduction strategies in place and they welcome support to improve their institutional frameworks. Although progress is noted in several countries, not all are ready to concretely reflect elements of their strategies in budgeting decisions and long-term resource frameworks.

For example, even though **Honduras** began working in 2008–2009 on a new National Development Plan consistent with its 2001–2015 poverty reduction strategy, reducing poverty is not yet systematically reflected in budgeting decisions and no long-term resource framework is in place. In the case of **Ukraine**, although it may not have a poverty reduction strategy, CIDA's Ukraine Program is fully in line with the European Union–Ukraine Action Plan, which promotes closer cooperation between Ukraine and Europe, and Ukraine's own Millennium Development Goal agenda. Both of these documents outline the main reform goals of the country.

Vietnam on the other hand, is an example of a country that has made its poverty reduction strategy central to its planning. Moreover, it encourages a strong donor coordination culture. CIDA actively participates with other donors and aligns its programming with Vietnam's strategy, where it has notable effect, such as in strengthening accountable public institutions. For countries that do not have a formal poverty reduction strategy, a unofficial development plan can serve as a national plan. In 2008, donors in **Mali** demonstrated their willingness to work together and harmonize development efforts via the Joint Assistance Strategy (JAS). The JAS aims to improve the effectiveness of support to the poverty reduction strategy paper by 2011 by

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[34] (For the Economist Intelligence Unit, see note 30 above) The IRAI is the latest edition of a composite index constructed by the World Bank using scores from its Country Policy and Institutional Assessment (CPIA). The CPIA is used to assess how conducive a country's present policy and institutional framework are to fostering poverty reduction, sustainable growth, and the effective use of development assistance. The CPIA rates countries against a set of 16 criteria related to economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions. The IRAI, i.e. the overall CPIA score, is calculated by averaging the mean of these four categories. The IRAI, as well as each criterion, is scored on a scale of 1 to 6. The IRAI has been published annually for International Development Association–eligible countries since 2005. http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/IDA/0,,contentMDK:21359477~menuPK:2626968~pagePK:51236175~piPK:437394~theSitePK:73154,00.html

ensuring an adequate division of labour. Therefore, sectors where Canada is absent are covered by other donors.

Together with donors, CIDA's countries of concentration have been working on internationally agreed aid effectiveness agenda targets. For example, CIDA's work in 2007 as coordinator for the **Indonesian** government's response to the Paris Declaration was continued in 2008, when CIDA was designated the donor focal point for preparations for the Accra High-Level Meeting in September 2008. This responsibility indicates the trust the Indonesian government and other donors have in CIDA.

Not only has CIDA become the lead donor in education in Senegal, but it has also assumed responsibility for coordinating the dialogue between donors and the government. It is harmonizing its interventions with other donors and has supported the Government of Senegal's 10-year plan to lead the reform of its education system.

Lessons learned
When key public institutions lack the capacity to implement efficient and transparent procurement systems, it is important that donors, including CIDA, work together to support the implementation of public procurement reforms and that technical assistance be provided as appropriate to build the country's institutional capacity.

In the education sector, relying only on projects at the level of formal primary education will not be sufficient to reach disadvantaged groups. Non-formal education programming is also required, especially to reach those in remote regions. Moreover, unless access to primary school leads to the completion of at least a basic education, then improved access is not meaningful. Attention must also focus on improving quality in order to keep children in school and prevent repetition and high dropout rates.

Program activity		
Fragile states and countries experiencing humanitarian crisis		
This program activity involves programming development and/or humanitarian assistance in fragile states and/or countries experiencing humanitarian crisis to reduce the vulnerability of crisis-affected people and restore the capacity of public institutions and society, through government-wide responses using a variety of mechanisms to respond to the many specific needs and risks or timely and effective action. In both cases, partnerships with institutional organizations offer flexibility and expertise to provide adequate responses.		
2008–2009 financial resources		
Planned spending	Total authorities	Actual spending
$611,209,000	**$866,628,289**	**$864,654,868**
Expected result	Performance indicators	Performance status
Reduced vulnerability of crisis-affected people	Prevalence of acute malnutrition Level of personal and community protection	Significant progress made
Restored capacity of public institutions and civil society	Development of national poverty reduction strategies, including sector priorities Level of availability of key public services	Significant progress made

Result 1: Reduced vulnerability of crisis-affected people

Performance summary

The global humanitarian situation worsened in 2008, in part due to the rise in food costs. Consequently, the number of people requiring food assistance from the WFP or seeking protection from the United Nations High Commissioner for Refugees (UNHCR) increased in comparison to 2007. In coordination with other donors, additional contributions from Canada enabled organizations such as the WFP and UNHCR to increase the coverage of their intended beneficiaries: from 89 percent in 2007 to 91 percent in 2008 for the WFP, and from 72 percent in 2007 to 76 percent in 2008 for the UNHCR. In 2008–2009, CIDA with other donors, helped feed more than 102 million people in 78 countries.

Performance analysis

Canada's humanitarian assistance programming objective is to save lives and alleviate the suffering of crisis-affected populations in a timely, effective, and coordinated manner. Humanitarian assistance includes the protection of civilians and those no longer taking part in hostilities and the provision of food, water and sanitation, shelter, health services, and other items of assistance. CIDA worked with trusted partner organizations, such as United Nations agencies, the Red Cross Movement and Canadian non-governmental organizations (NGOs), to respond to both complex humanitarian situations and natural disasters in more than 25 countries.

Complex humanitarian situations
CIDA responded to complex humanitarian situations[35] in several countries and regions, including the **Democratic Republic of Congo**, **Zimbabwe**, **Sri Lanka**, **Iraq**, and **Kenya**. Globally, in 2008, there were three million more refugees, internally displaced persons, and returnees seeking protection by the UNHCR than in 2007. In **Sudan**, the already dire humanitarian situation was further complicated by the expulsion of 13 international NGOs by the Sudanese government in March 2009. Despite this difficult operating environment, CIDA provided close to $53 million in humanitarian assistance through multilateral partners, including the UNHCR, WFP, UNICEF, as well as the International Committee of the Red Cross and Canadian NGOs such as Oxfam-Québec and World Vision Canada.

Natural disasters
CIDA responded to numerous natural disasters in 2008–2009. In Asia, Canada disbursed almost $26 million to respond to Cyclone Nargis in **Burma**, including support for the WFP's efforts to reach more than one million people in remote areas of the country. In **China**, Canada provided more than $31 million to relief efforts in the aftermath of the Sichuan earthquake, including an in-kind contribution of 700 tents from Canadian stockpiles. CIDA also supported UNICEF's efforts to provide emergency water and sanitation supplies for six months to more than 100,000 people in camps. In response to the 2008 Atlantic hurricane season, which affected more than 800,000 **Haitians**, Canada provided $5.6 million, which included emergency relief supplies for 2,000 families from Canadian stockpiles. In addition, CIDA provided $5 million to support early-recovery projects.

Food assistance
In 2008 rising food, input, and transportation costs exacerbated global food insecurity, leading to a global food crisis. In response to this crisis and to help address food security, CIDA provided significant food assistance primarily through its two main food-assistance partners: the WFP and the Canadian Foodgrains Bank. While the food crisis increased the number of people requiring the WFP's assistance by 16 million, for a total of 102.1 million people, additional contributions from Canada and other donors enabled the WFP to reach more than 92 million beneficiaries. In **Afghanistan**, the WFP distributed more than 300,000 tonnes of food, reaching approximately six million people, with more than 15,000 tonnes of food distributed to more than 580,000 people in Kandahar Province.

In response to the global food crisis, Canada announced in April 2008 that it would increase its food assistance commitment by $50 million to $230 million. Given increasing needs, by the end of 2008–2009 Canada provided a total of $318 million, thereby exceeding our initial commitment by more than $88 million. This included more than $100 million in additional funding to respond to emergencies. This support helped Canada to exceed its annual Food Aid Convention commitment of 420,000 metric tonnes of wheat equivalent.

Result 2: Restored capacity of public institutions and civil society

Performance summary
Basic services in education, health, housing and water were provided, and through demining efforts, economic activities were strengthened.

Haiti and Afghanistan have national poverty reduction strategies, and CIDA is an active participant in a number of aid-coordination bodies.

[35] A complex humanitarian situation occurs in a country, region, or society where there is a total or considerable breakdown of authority resulting from internal or external conflict.

Electoral processes have been supported in Haiti and Afghanistan, and key government capacity has been strengthened.

Performance analysis

Early recovery and reconstruction
CIDA's support to reduce the vulnerability of crisis-affected populations consists of efforts at restoring normalcy of life, including basic services in education, health, and water. In **Sudan**, CIDA's support through the World Bank–managed Multi-Donor Trust Funds helped establish 260 boreholes providing clean drinking water, the delivery of more than four million textbooks for primary grades, and the distribution of more than 179,000 antimalarial nets. In Haiti more than 320,000 schoolchildren received a nutritious meal every day during the school year, which improved their health and enhanced their attendance and ability to learn at school. In January 2009, in response to the latest crisis in Gaza, Canada provided the United Nations with funds to provide food aid to half a million Palestinians as well as temporary shelter and other emergency needs to exceptionally vulnerable families. And in Afghanistan more than 278,000 returnees were assisted by the UNHCR through the provision of shelter units and assistance.

In **Sudan** and **Afghanistan**, CIDA's funding provided to UN demining operations, which have contributed to the opening of 25,206 km of roads in Sudan through assessment or mine clearance, is expected to have a significant impact on economic activities. In the process, national organizations have been trained to conduct demining. In Afghanistan, a total of 377 km^2 of land was released and more than 24,000 individuals received mine-risk education in Kandahar.

Supporting institutional capacity
CIDA's support to key public institutions in **Haiti** and **Afghanistan**, through training and technical assistance, contributed to building capacities in many critical institutions. For example, in Haiti, CIDA provided 45 experts to train and support staff in central agencies, which resulted in strengthened planning, implementation, and delivery capacity in key institutions, including the Office of the Prime Minister, the Planning Ministry, and the Ministry of Finance. Also, more than 2,500 Haitian civil registrars were trained in adapting new technologies to their work, including digitizing more than 14 million paper records as electronic files in order to allow wider access and use, which resulted in broader and better access to government services. In Afghanistan, CIDA's support to institutional building through the Canadian Governance Support Office in Kabul resulted in the placement of eight Canadian civilian experts in policy making and implementation across key Afghan ministries and institutions. In Kandahar, Canada provided advisors for the provincial governor's office to strengthen this important sub-national governance body.

CIDA, along with others in the Joint Donor Team, provided support to the Government of Southern **Sudan** by co-chairing 6 of the 10 Budget Sector Working Groups. As a result, the Government of Southern Sudan has been able to prepare credible budgets and improve its economic governance.

Supporting Electoral Processes in Haiti and Afghanistan
In Afghanistan and Haiti, Canada and its partners, including national governments and their parliaments, have made democratic governance a priority. This means governance that is transparent, effective, and accountable. And it means conducting upcoming elections that are seen by Haitians and Afghans as legitimate. In Haiti, more than 600,000 adults were registered

on the voters list, which now totals 4.2 million, representing more than 92 percent of the voting population. In Afghanistan, more than 4.4 million eligible voters participated in an update of the existing voter registry in preparation for presidential and provincial council elections in August 2009.

Strengthening aid effectiveness
CIDA facilitated a technical meeting on **Haiti**, with the participation of the Haitian government and key donors, that set the stage for a new partnership framework that sought to re-engage donors through additional funding commitments and improved policy dialogue, coordination, and aid effectiveness.

CIDA continued to apply a whole-of-government approach through close collaboration with key Government of Canada departments. In **Afghanistan**, CIDA is a member of several international donor working groups, such as the Joint Coordination and Monitoring Board, and Canada is co-chair supporting the Ministry of Education's National Education Development Board. In April 2008 the Afghanistan National Development Strategy was launched, against which CIDA developed its three priorities: focusing on strengthening institutional capacity to promote economic growth and deliver basic services, advancing Afghan capacity for humanitarian assistance and crisis management, and democratic governance through strengthening public institutions and electoral processes.

Lessons learned
CIDA continued to invest in strengthening the international humanitarian system. In order to improve the timeliness of humanitarian action in sudden onset emergencies and increase funding to forgotten crises, Canada, in collaboration with other partners, played a key role in shaping the development of the UN Central Emergency Response Fund (CERF). In 2008, the CERF underwent an evaluation of its first two years. The evaluation concluded that in a short amount of time, the CERF has become a valuable and impartial tool for humanitarian action by helping to accelerate response and increase coverage of needs. In 2008, the CERF provided funding to assist people in 55 countries experiencing crises. Specifically in response to the global food crisis in 2008, CERF funding helped deal with the humanitarian side effects of rising food costs and reached an estimated 17.8 million people, including some 9.7 million women and girls. Canada has committed $192 million to the CERF (2007–2011), making Canada the sixth largest contributor to the CERF in 2008.

In **Haiti**, social and economic development priorities had to be further focused in order to respond to the extraordinary circumstances of 2008–2009 (i.e. global food and economic crisis, and severe natural disaster). Maintaining flexibility and capacity to respond to unforeseen needs and new government priorities remains critical. Coordination mechanisms and procedures have to be flexible to respond to new priorities, including a strong support structure, for example, through a secretariat with dedicated full-time staff.

In **Afghanistan**, CIDA's capacity to respond to emergent needs and government priorities required strong, flexible, whole-of-government coordination mechanisms and processes, which have strengthened Canada's engagement in Afghanistan. Through innovative rapid analysis and response, Canada's efforts in stabilization with development were supported through whole-of-government programming implementation, and were further demonstrated through CIDA's leadership in the development of a comprehensive whole-of-government elections strategy in Afghanistan. Canada also showed leadership in its contribution to the establishment of the National Education Development Board, through which it now serves as co-chair

promoting policy dialogue and coordination among Government of Afghanistan partners, donors, and civil society.

Program activity		
Selected countries and regions		
The purpose of CIDA's development assistance programming in selected countries and regions[36] eligible for Canadian international assistance is to enhance the capacity of these countries and regions to achieve stability and/or development goals and to contribute to Canada's international interests through expertise, dialogue, and resources. These initiatives can also require linkages and/ or partnerships between Canadian partners and their local partners.		
2008–2009 financial resources		
Planned spending	Total authorities	Actual spending
$580,822,000	$459,075,690	$453,929,576

Expected results	Performance indicators	Performance status
Enhanced capacity of selected countries and regions to achieve stability and/or development goals	Progress toward the Millennium Development Goals	See section I
	Level of democratic governance	Some progress made
	Existence of an effective government poverty reduction strategy, reflected in budgeting decisions and long-term resource framework	Significant progress made
	Alignment of CIDA country strategies and institutional support to the country's national development plan	All strategies aligned
Contribution to international interests of the Government of Canada	Targeted programming in areas of mutual interest	Significant progress made
	Degree to which other government departments are engaged in country	Some progress made

Performance summary
While CIDA's programming is now concentrated in fewer countries, some involvement is retained in selected countries and regions to address poverty and stability, and the international interests of the Government of Canada. CIDA's selected country and regional programs can be grouped into three categories:

1) Regions that can benefit from an integrated approach to development challenges and opportunities that cross borders, including environmental concerns, communicable

[36] See Section IV for the list of selected countries and regions

diseases, armed violence, human rights, drug and human trafficking, and trade and regional economic integration.

2) Countries that are poor and unable to meet the needs of their population, and who lack the institutional capacity to manage larger bilateral investments on the scale used by CIDA for its countries of concentration.
3) Countries on the way to middle-income status but who require some consolidation of development investment and targeted programming in areas where sustainability and continued progress can be strengthened.

Result 1: Stability and development goals

Performance analysis

Despite considerable challenges, including the food crisis in late 2008, the global economic downturn, ongoing conflicts and structural challenges such as poor infrastructure and low institutional capacity, CIDA's investments performed well. Selected countries and regions enhanced their capacity to achieve stability and development goals through modest but well-targeted CIDA programming in health, education, food security, and democratic governance.

In **health**, for example, CIDA programming in **Nigeria** with a school and a college of health technology strengthened the quality of education for hundreds of primary health care workers and is continuing to do so through enhancing curriculums, improving administration and management, and expanding outreach to local communities. Logistics were put in place for the renovation and construction of as many as 14 primary health care clinics. Regional programming in **Western Africa** improved epidemiological monitoring in the health ministries of five countries—**Benin**, **Mali**, **Niger**, **Burkina Faso**, and **Guinea**—as 600 health officers were trained and 230 epidemiological surveillance centres established. In **South Africa**, CIDA continued to expand and strengthen a network of NGOs and hospices providing HIV/AIDS services to communities in the worst-affected areas.

All developing countries recognize the importance of meeting **education** targets. Canadian assistance in that regard figured prominently in **Peru**, where CIDA piloted a literacy model for rural primary students. The results are influencing regional and national education policies. In provinces using CIDA's model, the reading comprehension of Grade 6 students went from 8 percent to 74 percent, and mathematics problem-solving ability went from 0 percent to 46 percent. As a result, the regional government will invest public funds to extend the literacy model to other provinces. CIDA is working in **Egypt, Jordan, and Morocco** along the same lines to advance education reform.

For a time, food prices soared, putting the spotlight on weaknesses in country food production, nutrition levels, and the management of food supplies. Well-placed CIDA programming at the country level allowed for continued progress toward **food security** in the **Americas**, where since 2004, CIDA has been supporting ECOFONDO, a network of **Colombian** NGOs implementing small-scale sustainable ecological agriculture projects. CIDA support consolidated more than 1,300 hectares of productive agro-ecological land and benefited more than 5,000 persons, who are now food secure and removed from illicit crops and illegal activities. CIDA funding also helped develop and release 36 new disease-resistant bean varieties with enhanced nutritional value for planting in similar agricultural zones of the 24 countries in which the **Pan-Africa** Bean Research Alliance works.

Level of democratic governance
By far the biggest challenge to the progress of democratic and economic reforms in the last year was to stay the course as each country and region weathered the global economic downturn. Food prices brought people into the streets. CIDA programming in private sector development, governance, and democracy provided some underpinning in this regard, as well as a foundation for resumed economic growth.

For example, the **Caribbean** Program concentrated on governance, economic renewal, and building human capital. Support to the Caribbean Regional Technical Assistance Centre built the knowledge and skills of 1,900 Caribbean public servants in public finance management. Projects in the **Philippines** helped create 1,600 jobs by providing advice to small businesses, and improved the income and access to markets of some 7,000 rural farmers. In **Egypt,** CIDA supported a network that served 30,000 clients and helped create 4,500 new small-scale enterprises (50 percent of them women). CIDA programming in **Nepal** figured prominently to achieve stability and development goals in that country. The democracy program supported the work of 23 Nepalese organizations to provide civic education to 308,000 people—mostly women—during the 2008 election, resulting in the formation of a representative body mandated to draft a new constitution.

Alignment of CIDA strategies
All CIDA country and regional strategies are aligned with country and/or regional priorities. Each selected country and region has some form of national or regional poverty reduction strategy, which donors such as Canada use as a basis for coordinating assistance. For example, **Peru** provides a framework for donor alignment through the National Policy on International Technical Cooperation, which ties together the national, sectoral, and regional policies that articulate the country's development vision. Canada's assistance to Peru aligns with specifically stated priority needs: human security and human development, strengthening the democratic state, and sustainable competitiveness.

Result 2: Canada's international interests

Performance analysis
CIDA contributes to Canada's international policies by helping selected countries and regional institutions improve their capacity to promote or sustain democracy, freedom, human rights, the rule of law, security and international trade.

CIDA's regional programs contribute to address cross-border issues, such as communicable diseases and natural resource management. For example, the **West Africa** Regional Program addresses climate change adaptation through a project that helped upgrade climatic, hydrological, and environmental data banks, produce climatic scenarios specific for the Sahel, and design requisite training curriculum. To increase its effectiveness, the Permanent Inter-State Committee for Drought Control in the Sahel (Comité permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel (CILSS)) elaborated its strategic plan for 2020, environmental strategic framework, and gender policy.

Ongoing conflict can present considerable difficulty in delivering programming in certain countries precisely where it is most needed. For example, in **Zimbabwe**, CIDA-supported partners mitigated the impact of political violence and repression by documenting human rights violations and by providing legal aid to imprisoned activists and medical support to 5,400 victims of political violence and torture. A notable CIDA partner, Zimbabwe Lawyers for Human Rights,

received Rights & Democracy's John Humphrey Freedom Award in 2008[37] for its work in locating detained human rights defenders, and in seeking medical access and legal redress for them. Support for an independent parallel tabulation of the vote in March 2008 helped limit the scope of electoral fraud and safeguard parliamentary election results.

Lessons learned
A valuable lesson from a regional program, the West African Regional program, is that coordination and dialogue among partners are important to ensure aid effectiveness. Coordination in a regional context is vulnerable when national interests get the upper hand on the common approach. Secondly, the regional approach can accelerate learning in other countries if appropriate actions are taken to pass on the lessons learned in a given country.

A vital lesson learned when conducting modest programming in a poor country such as **Burkina Faso** is that CIDA's institutional presence in the field needs to be constant. Furthermore, programming may need to be adapted to the changing needs of the country and the evolving situation in order to obtain better results. Finally, when engaging with a middle-income country such as **Jordan**, Canada has learned that, despite its modest investments, it has leverage by being active in policy dialogue and donor coordination in the education sector.

CIDA's Indian Ocean tsunami response 2004–2009
Canadians remember the devastating 2004 Indian Ocean tsunami.[38] Some 228,000 lives were lost, 1.7 million persons were displaced, and damage reached US$10 billion.

The Government of Canada contributed $425 million in assistance. CIDA managed $383 million of that amount through more than 80 relief and reconstruction projects: $130 million in the immediate relief phase delivered through multilateral channels, and $253 million in a longer term reconstruction program delivered through bilateral channels from 2005–2006 to 2008–2009.

Aid-effectiveness principles with a clear focus on results were key to the successful delivery of Canada's assistance.

Whole of government and international coordination: A whole-of-government approach was used during the emergency phase, with CIDA chairing the Tsunami Assistance Coordinating Committee, comprising 12 federal government departments. During the reconstruction phase, CIDA partnered with more than 40 international and non-governmental organizations.

Canada "exemplary" as donor
Independent evaluations, including one conducted in 2008, found that the reconstruction phase of CIDA's tsunami response had made substantial sustainable improvements in the lives of those affected by the disaster.

Two others by the multidonor Tsunami Evaluation Coalition assessed Canada's performance as a donor as exemplary.

Physical infrastructure: With the overarching theme of "build back better," results included the construction or reconstruction of more than 7,500 homes, more than 2,700 km of road, 825 bridges, 282 schools, 19 markets, 43 health clinics, 262 waste-disposal units, 1,100 wells, 1,226 clean-water projects, 1,300 sanitation units, and 1,075 km of drainage/irrigation canals.

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[37] http://www.dd-rd.ca/site/media/index.php?id=2332&subsection=news
[38] http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/JUD-728122632-MAM

Social infrastructure: Vocational and livelihood support, such as entrepreneurship training and small-scale loans, have helped more than 55,000 affected individuals to improve their employment opportunities.

Environment: Environmental aspects were integrated throughout the tsunami program projects. Results include the improved health of affected fisheries through coastline-restoration efforts, and more than 5,000 families gaining improved water and sanitation facilities.

Governance and peacebuilding: In Aceh, Indonesia, more than 1,700 teachers and students were trained in peace-education techniques, and dozens of communities affected by the tsunami and conflict alike were introduced to more participatory planning and project-implementation practices.

Gender: As with the environment, gender was a crosscutting theme throughout the program. For example, 62 percent of 2,700 Sri Lankan business course trainees were women, and in Indonesia, almost 60 percent of 1,700 Economic Recovery Group members were women.

Program activity		
Multilateral, international, and Canadian institutions		
Through its engagement with multilateral, Canadian, and international institutions, CIDA seeks to influence institutional policies and practices to strengthen the ability of institutions and to maximize program effectiveness in order to enhance the capacity and effectiveness of partner institutions in achieving development goals. CIDA's engagement includes the provision of expertise and core funding, as well as its participation on decision making and on advisory committees and boards.		
2008–2009 financial resources		
Planned spending	Total authorities	Actual spending
$991,286,000	$1,331,314,995	$1,317,665,265

Expected results	Performance indicators	Performance status
Enhanced capacity and effectiveness of multilateral institutions and Canadian/ international organizations in achieving development goals	Number of multilateral institutions and Canadian/international partners demonstrating a results-based management approach Existence of equality between women and men and environment strategies for partner institutions	Significant progress made

Result: Enhanced capacity and effectiveness of multilateral institutions and Canadian and international organizations in achieving development goals

Performance summary
Individual organizations and projects funded through this program activity have met or exceeded CIDA's requirements for the use of results-based management, and for the integration of considerations related to equality between women and men and to the environment.

Performance analysis
Multilateral, international, and Canadian institutions are key partners in poverty reduction due to their effectiveness and reach, as well as the resources and capacities they bring to bear. By working with these partners so that they sustain and improve their effectiveness as development actors, Canada's contribution to development has become more efficient and effective.

During 2008–2009, CIDA continued to promote multilateral effectiveness through its assessments of partners' effectiveness through its active participation in the Multilateral Organization Performance Assessment Network (MOPAN),[39] and through assessments of the ability of multilateral partners to plan, achieve, monitor, and report on gender equality results:

[39] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-5292536-HRK

- In order to generate up-to-date information for decision making about CIDA's relationships with key multilateral organizations, CIDA staff at headquarters and in the field systematically reviewed and assessed organizations' effectiveness in terms of their relevance to CIDA's priorities, organizational effectiveness, development results, and adherence to the Paris Declaration principles.
- Building on previous surveys, CIDA and other donor agencies involved in MOPAN published the MOPAN annual survey for 2008[40], which assessed the World Bank, the United Nations Population Fund, and the European Commission. CIDA and MOPAN also made progress in 2008–2009 on the development of a joint approach for assessing multilateral organizations. This approach, which will be tested during 2009, is expected to improve the quality and scope of the annual survey, as well as enhance donor harmonization and reduce the costs of doing business between donors and multilateral organizations.
- CIDA completed its suite of "gender equality institutional assessments". These assessments have already influenced how CIDA's partners approach gender equality. For example, the African Development Bank has used CIDA's assessment as a key element of the work to update its action plan for gender equality. Also, CIDA's assessment of the World Bank has formed the basis for the government's interactions with the World Bank to operationalize gender-equality considerations across its programs.[41]

As part of its renewed partnership with Canadian civil society, CIDA continued to pursue greater effectiveness and accountability with its Canadian partners.

- In 2008–2009, CIDA partnered with the seven Provincial Councils for International Cooperation to design and deliver new training programs in results-based management and gender equality to more than 200 participants. Participant evaluations were very positive and demonstrated that partners have a better understanding of CIDA's requirements for results reporting.
- CIDA's Volunteer Cooperation Program continued to be managed in a collaborative manner. CIDA worked closely with nine volunteer cooperation agencies (VCAs) to renew a $244.6-million multicountry program[42] that will provide support for the placement of 8,500 Canadian volunteers over five years (2009–2014). The program reflects increased geographic and sectoral concentration. Close collaboration between CIDA and the VCAs has produced a common logic model and performance-measurement framework to enable the Agency to better capture and report on results for the program.
- CIDA continued to support democratic governance through programming with Canadian partners that strengthened institutional capacities and democratic practices at the national, regional, and local levels.

Lessons learned

The current number and diversity of CIDA's partners pose challenges to achieving and demonstrating the expected results of this program activity, as does the need for the broad coordination of programming. To address these challenges, CIDA will continue to strengthen appropriate and systematic oversight of its partnerships.

[40] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-12763545-FLX
[41] http://www.fin.gc.ca/bretwood/bretwd08-eng.asp
[42] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAT-422125937-MXB

Strategic outcome 2: Sustained support and informed action by Canadians in international development

Canadians are involved in international development through government, non-governmental activities, the private sector and volunteerism. Canadians make a valuable contribution to international development, through their financial and in-kind support, resourcefulness, innovative ideas, and commitment.

Program activity			
Engaging Canadian citizens			
This program activity provides opportunities for Canadians to increase their awareness, deepen their understanding, and engage in international development. Canadian engagement is a vital element of effective development. It enables CIDA and its partners to draw from a broad range of expertise and financial resources across the country to implement aid initiatives. It also provides an ongoing basis for commitment on the part of the Government of Canada to international development cooperation.			
2008–2009 financial resources			
Planned spending	Total authorities	Actual spending	
$71,633,000	$27,415,305	$27,056,378	
Expected results	Performance indicators	Targets	Performance status
Increased awareness, deepened understanding, and greater engagement of Canadians with respect to international development	Number of Canadians involved in international development efforts	Reach 10,000 Canadians through the Public Engagement Fund	Exceeded
		Reach more than 2,000 teachers and 101,000 students in Canada through the Global Classroom Initiative	Exceeded

Result: Increased awareness, deepened understanding, and greater engagement of Canadians with respect to international development

Performance summary

An estimated one million children and educators were reached through classroom activities supported by CIDA, more than 55,000 people were reached through lectures, films, workshops, speaking tours, participatory theatre, training of youth leaders, art and multimedia contests, and leadership development.

Benefits to Canadians
By supporting the development activities of Canadian civil society and private sector partners, CIDA creates opportunities for hundreds of thousands of Canadians to contribute to Canada's development program and, in the process, helps build relationships and mutual understanding between Canadians and people throughout the developing world.

Performance analysis
CIDA's promotion of public engagement in international development begins with providing information to help build awareness, deepening understanding through education, and achieving engagement through opportunities to participate.

CIDA's website[43] a dynamic source of information on all aspects of Canada's international development program, has been the subject of a strategic rethink, redesign and cleanup effort through 2008–2009 to make the website more current, comprehensive, interactive, and easy to use. The resulting changes are being implemented in phases through the balance of 2009 and beyond, continuously improving the effectiveness of CIDA's Internet presence in deepening Canadians' understanding of development issues and the role CIDA plays.

The Project Browser[44], a database of project information published on CIDA's website, was expanded to include more than 2,300 projects, exceeding the target by 800. The Project Browser makes information on CIDA projects, and increasingly, their results, easily accessible to the public.

CIDA's regional offices[45] remained active throughout the year in reaching out to the Canadian public, as well as providing guidance to individuals and organizations on how to become more actively engaged in international development.

CIDA's annual International Development Week[46], with the theme of "Development for Results," saw seven regional councils produce more than 69 events across Canada, directly reaching tens of thousands of Canadians, and hundreds of thousands indirectly.

More than 1,200 people, including a broad representation of CIDA's Canadian partner organizations, attended International Cooperation Days 2008[47]. An exit survey found that 68 percent of participants considered International Cooperation Days 2008 to have met their expectations, and 24 percent said their expectations were exceeded. Of respondents, 76 percent indicated that the event was successful at providing networking opportunities with partners, parliamentarians, the diplomatic community, and other government departments.

Recipients of support from CIDA's Public Engagement Fund[48] reported reaching more than 55,000 people in 2008–2009 directly through workshops, speaking tours, participatory theatre, training of youth leaders, art and multimedia contests, leadership development, lectures, and films, exceeding the target set in 2008 of reaching a minimum of 10,000 Canadians.

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[43] http://www.acdi-cida.gc.ca
[44] http://www.acdi-cida.gc.ca/project-browser
[45] http://www.acdi-cida.gc.ca/regionaloffices
[46] http://www.acdi-cida.gc.ca/IDW
[47] http://www.acdi-cida.gc.ca/icd
[48] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/DOM-125153243-S4H

Through the use of education resources and activities developed with the support of CIDA's Global Classroom Initiative[49], an estimated one million Canadian children and educators were engaged in 2008–2009 in active exploration of international development issues that helped create awareness of their global neighbours, different world views, and understand the global impact of their choices and actions.

CIDA's Mass Media Initiative (MMI)[50] encourages media professionals to raise awareness and understanding of international development issues, highlight the Canadian contribution to developing countries, and communicate why challenges faced by developing countries are important to Canadians. In 2008–2009, the MMI financially supported 57 communications projects in a diverse range of media including documentaries, podcasts, radio programs, new media, print, and exhibit projects. Based on an average of figures from the past two years, it is estimated that the MMI reached Canadians 27.5 million times in 2008–2009.

CIDA's International Youth Internship Program[51] was renewed through to 2014. It will provide support for the placement of 1,980 interns into overseas development projects over the next five years.

CIDA supported several electoral missions involving 39 Canadian election observers.

In November 2008, CIDA published its first *Development for Results*[52] report, presenting to parliamentarians and the public stories of human progress resulting from the efforts of CIDA and its partners in some of the poorest parts of the world.

The 2008 launch of a new website, http://www.afghanistan.gc.ca, profiles Canada's six priorities, their benchmarks, and CIDA's three signature projects in Afghanistan, as well as the government's quarterly progress reports to Parliament. The website also presents Canada's work in Afghanistan through its photo library (Afcam) and through videos and podcasts featured on social media outlets such as YouTube, iTunes, Flickr, and Facebook. First shown in Ottawa in 2008 and slated for exhibition across Canada in 2009, Afghanistan**360°**, an interactive multimedia exhibit, showcases Canada's role in rebuilding Afghanistan and some of the progress that has been made.

Given Haiti's centrality to Canada's engagement in the Americas, the Haiti Program[53] was proactive in communicating to Canadians the activities and results achieved through CIDA-funded initiatives in that country. This was done through a variety of venues, including the Canada Pavilion during the festivities of Québec 2008, International Cooperation Days, and International Development Week, as well as the presentation of success stories and photo exhibits at these and other venues as well as via the Internet.

Lessons learned

Most of the activities and programs above are based on close working relationships with various partners across Canada. This approach has proven to be an effective means of reaching Canadians to present them with opportunities to support and engage in Canada's development program.

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[49] http://www.acdi-cida.gc.ca/gci
[50] http://www.acdi-cida.gc.ca/mmi
[51] http://www.acdi-cida.gc.ca/iyip
[52] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-1124112457-M9N
[53] http://www.acdi-cida.gc.ca/haiti-e

Measuring levels of support attributable to our public engagement activities in order to evaluate the impact of those activities is difficult in the absence of an accepted methodology and the high cost of the tools needed. This year, the Agency will assess best practices here and in other agencies in the domain of evaluating impacts of public engagement efforts.

SECTION III: SUPPLEMENTARY INFORMATION

Financial highlights

Condensed statement of financial position At end of year (March 31, 2009) ($ thousands)	% change	2009	2008
Assets			
Total assets	13.4%	430,970	373,069
Total	13.4%	430,970	373,069
Liabilities			
Total liabilities	30.6%	641,971	445,653
Equity			
Total equity	65.6%	211,001	72,584
Total	13.4%	430,970	373,069

Condensed statement of financial position At end of year (March 31, 2009) ($ thousands)	% change	2009	2008
Expenses			
Total expenses	14.2%	3,480,700	2,986,274
Revenues			
Total revenues	48.6%	206,667	106,126
Net cost of operations	12.0%	3,274,033	2,880,148

Assets
Total assets have increased by $57 million due to an increase of $84 million in prepaid contributions using pool funding payments and a program-based approach, a return of capital of $9.6 million from the Canada Investment Fund for Africa, and decreases of $16.8 million in net loans mostly due to reimbursements and variations in discounts and allowances on these loans.

Liabilities
Total liabilities have increased by $196 million, largely explained by the significant amount of funding that CIDA received two days prior to year-end through Supplementary Estimates C, thereby contributing to the increase in accounts payable and accrued liabilities of $269 million; the decrease in accrued liabilities of $59 million due to the numerous payments made throughout the year to settle liabilities relating to the 2004 tsunami and Pakistan matching funds programs; and by a decrease of $19 million in notes payable to International Financial Institutions (IFI) due to the timing of transactions following an agreement.

Expenses
Total expenses have increased by $494 million, primarily due to an increase in transfer payments spending for food aid and humanitarian assistance in multilateral and global partnerships, more focus on Africa spending, as well as increased spending in the Americas (Haiti) and on Afghanistan programs.

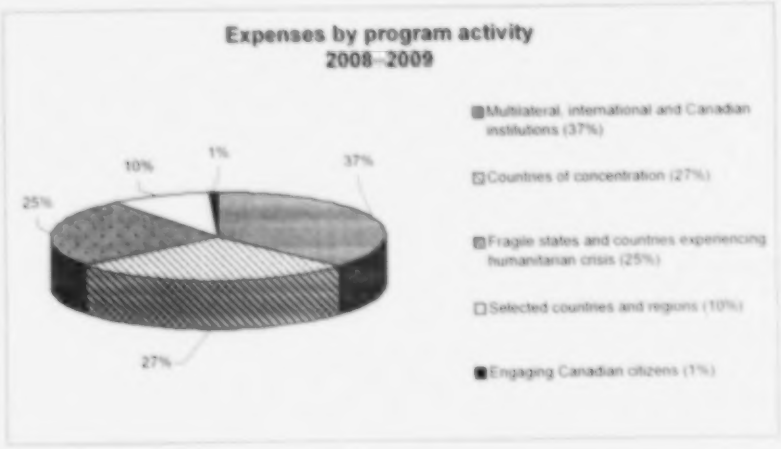
Revenues
The increase of $101 million in revenues can be mainly explained by an increase of $74 million in the gain on foreign exchange for revaluation of notes payable yet to be encashed by IFIs as well as on allowances on advances and investments, and by an adjustment of $24 million to the unamortized discount on loans due to a review of the calculations related to the net present value of loans to developing countries undertaken in 2008–2009.

Financial statements

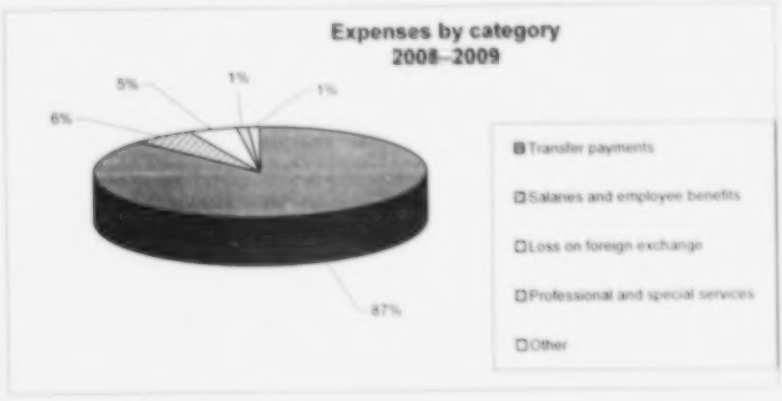
The complete financial statements[54] are available on CIDA's website.

Financial highlights charts

As indicated on page 3 above, CIDA's expenses are distributed against the following five program activities:

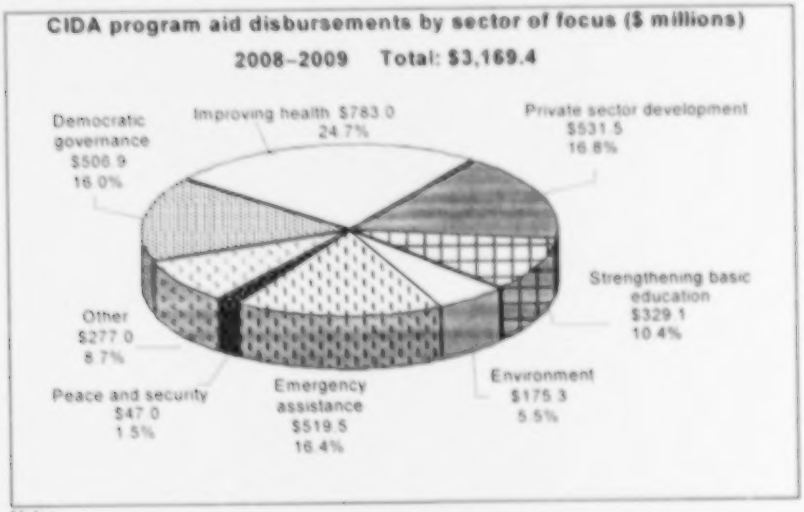


The vast majority of CIDA's expenses take the form of transfer payments for a wide variety of programs aimed at reducing poverty in the developing world.



[54] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-824132148-NDT

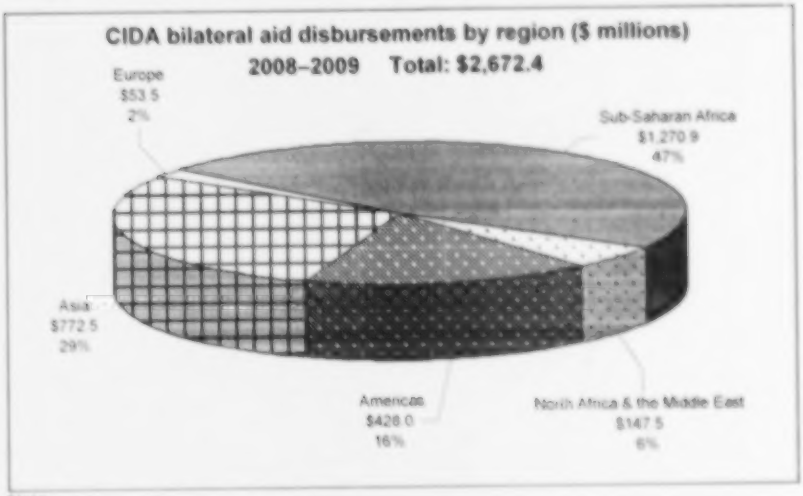
CIDA's programs can be divided in the following seven sectors of focus:


CIDA program aid disbursements by sector of focus ($ millions)
2008–2009 Total: $3,169.4
Democratic governance $506.9 16.0%
Improving health $783.0 24.7%
Private sector development $531.5 16.8%
Strengthening basic education $329.1 10.4%
Other $277.0 8.7%
Peace and security $47.0 1.5%
Emergency assistance $519.5 16.4%
Environment $175.3 5.5%

Notes:

- in millions of dollars, excluding administrative costs ($250.80 million) and loss on investments ($163.27 million)
- "Other" includes higher education, promotion of development awareness, support to civil society

In 2008–2009, CIDA bilateral disbursements were distributed as follows:


CIDA bilateral aid disbursements by region ($ millions)
2008–2009 Total: $2,672.4
Europe $53.5 2%
Sub-Saharan Africa $1,270.9 47%
Asia $772.5 29%
Americas $428.0 16%
North Africa & the Middle East $147.5 6%

Notes:

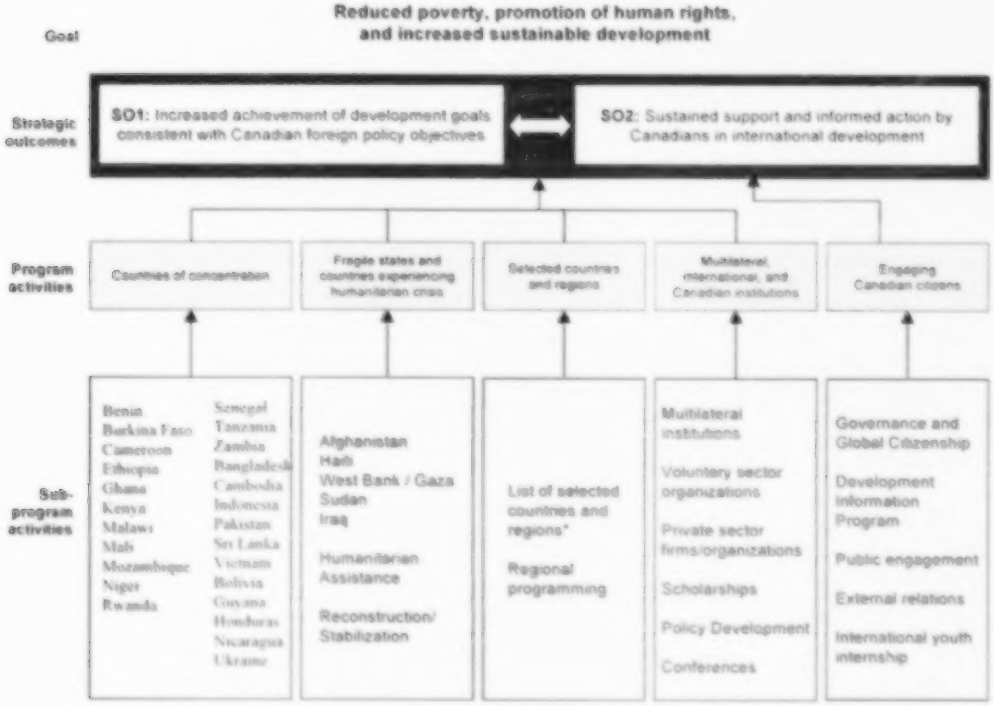
- "bilateral" excludes core funding to multilateral organizations
- in millions of dollars, excluding administrative costs ($250.80 million) and loss on investments ($163.27 million)

More details on disbursements by sectors and countries are available in CIDA's statistical reports.[55] A statistical report for 2008–2009 will be published by the end of March 2010.

[55] http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-4128122-G4W

SECTION IV: OTHER ITEMS OF INTEREST

CIDA's Program Activity Architecture



* List of selected countries and regions

Selected countries	Regions
Algeria, Burundi, Democratic Republic of Congo, Côte d'Ivoire, Egypt, Guinea, Jordan, Lebanon, Morocco, Nigeria, South Africa, Yemen, Zimbabwe, China, India, Maldives, Nepal, Philippines, Tajikistan, Thailand, Brazil, Colombia, Cuba, Ecuador, El Salvador, Guatemala, Jamaica, Peru, Bosnia and Herzegovina, Russia, Serbia and Montenegro.	Africa Great Lakes Regional Program, Pan Africa Program, Southern Africa Program, West Africa Program, Sahel Regional Program, East Africa Regional Program, Central Africa Regional Program, Canada Fund for Africa Program, Caribbean Regional Program, Inter-American Program, Central America Regional Program, Lee and Windward Regional Program, South America Regional Program, Southern Cone Regional Program, Southeast Asia Program, South Asia Regional Program, Central Asia Regional Program, Organization for Security and Cooperation in Europe Program, Institutional Partnerships in Europe, Mideast and Maghreb, Broader Middle East and North Africa Program, Middle East Regional Program, South Caucasus Regional Program, Eastern Adriatic Program, Maghreb Regional Program.

List of supplementary information tables

The following electronic supplementary information tables can be found on the Treasury Board of Canada Secretariat's website at http://www.tbs-sct.gc.ca/dpr-rmr/2008-2009/index-eng.asp

- Sources of Respendable and Non-Respendable Revenue
- User Fees / External Fees
- Details on Transfer Payment Programs
- Internal Audits and Evaluations
- Green Procurement
- Sustainable Development Strategy

Contact information

For additional information about CIDA's programs, activities, and operations, please visit the Agency's website at http://www.acdi-cida.gc.ca *or contact:*

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Telecommunications device for the hearing- and speech-impaired: 819-953-5023
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Fax: 819-953-6088
E-mail: info@acdi-cida.gc.ca

You may also contact one of CIDA's Regional Offices[56]

[56] See http://www.acdi-cida.gc.ca/regionaloffices